Carlisle Goldfields Limited

Financial Statements

August 31, 2015

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards ("IFRS"). This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Board of Directors exercises its responsibilities for financial controls and is responsible for overseeing management in the performance of its financial reporting responsibilities. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Audit Committee is also responsible for recommending the appointment of the Company's external auditors.

KPMG LLP, an independent firm of Chartered Professional Accountants, is appointed by the shareholders to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit Committee and management to discuss their audit findings.

Abraham Drost President & CEO, Director	Julio DiGirolamo CPA, CA Chief Financial Officer

November 23, 2015

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Carlisle Goldfields Limited:

We have audited the accompanying financial statements of Carlisle Goldfields Limited, which comprise the statement of financial position as at August 31, 2015 and August 31, 2014, the statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Carlisle Goldfields Limited as at August 31, 2015 and August 31, 2014, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

November 23, 2015
Toronto, Canada

Carlisle Goldfields Limited
Statements of Financial Position

Expressed in thousands of Canadian dollars

	August 31, 2015	August 31, 2014
ASSETS		
Current assets		
Cash	**$ 5,630**	$ 50
Amounts receivable	**225**	48
Prepaids	**116**	79
	5,971	177
Exploration and evaluation assets *(Note 6)*	**25,870**	29,334
Equipment	**69**	23
Other assets	**11**	11
	$ 31,921	$ 29,545
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**$ 890**	$ 665
	890	665
Deferred income tax liability *(Note 8)*	**226**	620
	1,116	1,285
Shareholders' equity		
Share capital *(Note 7b)*	**36,316**	30,978
Warrants *(Note 7c)*	**1,392**	2,318
Contributed surplus *(Note 7d)*	**9,317**	8,127
Deficit	**(16,220)**	(13,163)
	30,805	28,260
	$ 31,921	$ 29,545

Contingencies *(Note 12)*
Subsequent events (*Note 7(e) and Note 14)*

The accompanying notes are an integral part of these financial statements.

On behalf of the Board:

Bruce Reid
Director

James Macintosh
Director

Carlisle Goldfields Limited

Statements of Comprehensive Loss
For the years ended August 31, 2015 and 2014

Expressed in thousands of Canadian dollars, except per share amounts

	2015	2014
Expenditures		
General and administration	**$ 3,424**	$ 2,039
	3,424	2,039
Interest income	**19**	3
Management fees *(Note 9)*	**65**	---
Other income *(Note 8)*	**---**	674
Loss before income taxes	**3,340**	1,362
Income tax recovery	**(283)**	(270)
Loss and comprehensive loss for the period	**$ 3,057**	$ 1,092
Basic and diluted loss per share	**$ (0.06)**	$ (0.03)
Weighted average number of shares outstanding during the period – basic and diluted	**52,199,622**	40,527,436

The accompanying notes are an integral part of these financial statements.

Carlisle Goldfields Limited
Statements of Changes in Equity

For the years ended August 31, 2015 and 2014
Expressed in thousands of Canadian dollars

	Share Capital	Warrants	Contributed Surplus	Deficit	Total
Balance at August 31, 2013	**$29,134**	**$ 2,755**	**$ 6,633**	**$(12,071)**	**$26,451**
Total comprehensive loss for the period	---	---	---	(1,092)	(1,092)
Expiration of warrants	---	(1,237)	1,237	---	---
Stock-based payments *(Note 7e)*	---	---	257	---	257
Issue of share capital – private placement net of share issue costs *(Note 7b)*	1,044	800	---	---	1,844
Exercise of Put Right *(Note 7b)*	800	---	---	---	800
Balance at August 31, 2014	**$30,978**	**$ 2,318**	**$ 8,127**	**$(13,163)**	**$28,260**
Total comprehensive loss for the period	**---**	**---**	**---**	**(3,057)**	**(3,057)**
Issue of share capital, net of share issue costs *(Note 7b)*	**5,338**	**---**	**---**	**---**	**5,338**
Expiration of warrants *(Note 7c)*	**---**	**(926)**	**926**	**---**	**---**
Stock-based payments *(Note 7d)*	**---**	**---**	**264**	**---**	**264**
Balance at August 31, 2015	**36,316**	**1,392**	**9,317**	**(16,220)**	**30,805**

The accompanying notes are an integral part of these financial statements.

Carlisle Goldfields Limited

Statements of Cash Flows
For the years ended August 31, 2015 and 2014

Expressed in thousands of Canadian dollars

	2015	2014
Cash provided by (used in):		
OPERATING ACTIVITIES		
Net loss for the year	**$ (3,057)**	$ (1,092)
Non-cash items:		
Stock-based compensation	**264**	257
Depreciation	**13**	15
Accrued shareholders claim	**---**	(659)
Provision for income taxes	**(283)**	(270)
Other income	**---**	(15)
Write-down of Goodfish Claims	**---**	35
	(3,063)	(1,729)
Net change in non-cash working capital items:		
Amounts receivable	**(177)**	(8)
Prepaids	**(37)**	35
Accounts payable and accrued liabilities	**102**	221
Accrued shareholders claim	**---**	(1)
	(3,175)	(1,482)
FINANCING ACTIVITIES		
Issue of common shares and warrants, net	**5,227**	1,833
	5,227	1,833
INVESTING ACTIVITIES		
Exploration and evaluation costs	**(1,413)**	(1,067)
Proceeds received *(Note 6)*	**5,000**	---
Equipment	**(59)**	(12)
	3,528	(1,079)
Net increase (decrease) in cash	**5,580**	(728)
Cash, beginning of year	**50**	778
Cash, end of year	**$ 5,630**	$ 50

Supplementary information *(Note 13)*

The accompanying notes are an integral part of these financial statements.

1. NATURE OF OPERATIONS

Carlisle Goldfields Limited ("Carlisle" or the "Company") was incorporated under the laws of the Province of Ontario on March 15, 2005 under the name AMPX Corporation. On May 19, 2006, AMPX Corporation filed Articles of Amendment changing its name to Carlisle Goldfields Limited. Substantially all of the Company's efforts are devoted to financing and developing mineral exploration properties in Manitoba. There has been no determination whether the Company's interests in mineral properties contain mineral reserves which are economically recoverable.

The address of the registered office is Suite 2702, 401 Bay Street, Toronto, Ontario M5H 2Y4.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's continued existence are dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

Although Carlisle has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements, as well as claims from Aboriginal people.

The financial statements of the Company for the year ended August 31, 2015 were approved by the Board of Directors on November 23, 2015.

2. BASIS OF PRESENTATION

These audited annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by the Company are summarized as follows:

(a) Cash

Cash comprises cash balances and deposits with original maturities of 90 days or less.

(b) Flow-through shares

Canadian tax legislation permits a company to issue flow-through shares to investors whereby the deduction for tax purposes relating to qualifying resource exploration expenditures is claimed by the investors rather than the company.

Recording these expenditures for accounting purposes gives rise to taxable temporary differences.

The Company has adopted a policy whereby flow-through proceeds are allocated between the offering of the common shares and the sale of tax benefits when the common shares are issued. The allocation is made based on the difference between the quoted price of the common shares and the amount the investor pays for the flow-through shares. A deferred gain is recognized for the premium paid by the investors, which deferred gain is reversed into earnings as eligible expenditures are incurred. The deferred tax impact is recorded as eligible expenditures are incurred, provided the Company has the intention to renounce the related tax benefits.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Exploration and evaluation assets

The cost of acquiring mineral properties and related exploration and evaluation costs are deferred on an individual area of interest basis until the properties are placed into production, sold or abandoned. Once a licence to explore an area has been secured, directly attributable expenditures on exploration and evaluation activities are capitalized to mineral properties. Costs incurred to acquire an interest in a mineral property are capitalized as mineral property acquisition costs. Costs incurred prior to obtaining the right to explore are expensed as incurred.

Once an economically viable reserve has been determined for an area and the decision to proceed with development has been approved, exploration and evaluation assets attributable to that area are first tested for impairment and then reclassified to property and equipment.

Subsequent recovery of the resulting carrying value depends on the successful development or sale of the undeveloped project. If a project does not prove viable, all unrecoverable costs associated with the project are written off.

Upon the sale of part or all of an undeveloped property, the proceeds from the sale are reflected as a reduction to exploration and evaluation assets attributable to that area.

As the Company's assets are not yet operational, no amortization or depletion has yet been recorded.

(d) Property and equipment

Property and equipment are accounted for at cost. Amortization is based on the following rates and methods, commencing in the month of acquisition:

Automobiles	3 – 5 years straight line
Computer Software	3 years straight line

(i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated amortization and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of the property and equipment, and are recognized net within other income in the statement of comprehensive loss.

(ii) Subsequent costs

The cost of replacing a part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognized in the statement of comprehensive loss as incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Impairment

(i) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its costs is objective evidence of impairment.

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs of disposal.

(f) Share-based payments

Share-based payments are based on the estimated fair value of options granted at the time of the grant using the Black-Scholes option pricing model. The fair value is recognized in current earnings as stock-based compensation expense with a corresponding increase to contributed surplus over the vesting period of the options. Upon the exercise of the stock options, consideration paid together with the amount previously recognized in contributed surplus is recorded as an increase in share capital. In the event that vested options expire, previously recognized compensation expense associated with such stock options is not reversed. In the event that unvested options are forfeited, previously recognized compensation expense associated with such stock options is reversed.

(g) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in the statement of comprehensive loss except to the extent that the tax relates to a business combination or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset the tax liabilities and assets and they relate to income taxes levied by the same tax authority.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Loss per share

The Company presents basic and diluted loss per share data for its common shares. Basic loss per share is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding, adjusted for own shares held, for the effects of all dilutive potential common shares, which comprise share options granted to employees and share purchase warrants.

(i) Foreign currency translation

Monetary assets and liabilities are translated to Canadian dollars at the rates in effect at the date of the statement of financial position. Other assets and liabilities are translated at the rates prevailing at the transaction dates. Revenue and expenses are translated at average rates prevailing during the year, except for depreciation which is translated at exchange rates prevailing when the related assets were acquired. Gains and losses arising from fluctuations in exchange rates are reflected in the statements of comprehensive loss for the year.

(j) Basis of measurement

The financial statements have been prepared on the historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(k) Financial instruments

(i) Financial assets

The Company initially recognizes receivables and deposits on the date that they originated.

All other financial assets are recognized on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest rate method, less any impairment losses. Financial assets included in this category are amounts receivable.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Financial instruments (cont'd)

(ii) Non-derivative financial liabilities

All financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or they expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company has the following non-derivative financial liabilities: accounts payable and accrued liabilities, as well as accrued shareholders claim.

Such financial liabilities are recognized at fair value. The Company will continue to monitor the fair value of these liabilities and make adjustments as necessary.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments depending on the observability of the inputs employed in the measurement:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and
- Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

All of the Company's financial instruments are considered to be Level 1 (see Note 11, "Fair value").

At each statement of financial position date, the Company will assess financial assets for impairment with any impairment recorded in the statement of comprehensive loss. The Company expenses all transaction costs as incurred in relation to the acquisition of a financial asset or liability.

(l) Share reorganization

In February 2015, Carlisle received final approval from the Toronto Stock Exchange for the Company's 6.5 to 1 share consolidation following the receipt of majority shareholder approval at its Annual General and Special Meeting of shareholders held on January 15, 2015. The Company's shares began trading on a post-consolidated basis on February 28, 2015. The Company's share information, including weighted average number of shares outstanding and earnings per share numbers, have been retrospectively restated to reflect this share consolidation.

4. SIGNIFICANT JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Areas requiring the use of management estimates relate to assumptions used in determining share-based payments. Actual results may differ from these estimates.

(a) Significant Judgements in Applying Accounting Policies

Exploration and evaluation assets

In evaluating the carrying value of its exploration and evaluation assets, the Company makes judgements about whether or not indicators of impairment, or indicators of a reversal of impairment, exist at each reporting period. This determination impacts whether or not a detailed impairment assessment is performed.

4. SIGNIFICANT JUDGMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)

Accrued Shareholder Claim

The likelihood of claims arising from previous subscribers is difficult to predict. Based on historical facts and in consultation with legal counsel, on August 31, 2014, it was judged that: (a) it was unlikely that Carlisle would receive another claim; and (b) that the statute of limitations had run out with respect to the ability of any individual to make a claim. The remaining accrued liability was reversed to other income on the Statement of Comprehensive Loss. During fiscal 2015, additional subscribers came forward with claims for reimbursement. Although legal counsel had advised that the statute of limitations had run its course, as a gesture of good will, Carlisle has been reimbursing subscribers who can support their claims for compensation. During the year, an additional $202,000 has been paid on this account and is reflected as a general and administrative expense in the Statement of Comprehensive Loss.

(b) Significant Accounting Estimates and Assumptions

The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

Share-based payments

The amount expensed for share-based payments is based on the application of the Black-Scholes option pricing model which is highly dependent on the expected volatility of the Company's shares and the expected life of the options. The Company uses an expected volatility rate for its shares based on past share trading data. Actual volatility may be significantly different. While the estimate of share-based payments can have a material impact on the operating results reported by the Company, it is a non-cash charge and, as such, has no impact on the Company's cash position or future cash flows.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future periods affected.

5. FUTURE CHANGES IN ACCOUNTING STANDARDS

New Accounting Standards Adopted During The Year

On May 21, 2013, the IASB issued IFRIC 21, Levies, an interpretation on the accounting for levies imposed by governments. IFRIC 21 is an interpretation of IAS 37, Provisions, contingent liabilities and contingent assets. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods beginning on or after January 1, 2014. The Company has determined that there is no material impact on its financial statements from the adoption of IFRIC 21.

Standards Issued But Not Yet Effective

The IASB has issued IFRS 9 Financial Instruments ("IFRS 9") which proposes to replace IAS 39 Financial Instruments Recognition and Measurement. The replacement standard has the following significant components: establishes two primary measurement categories for financial assets — amortized cost and fair value; establishes criteria for classification of financial assets within the measurement category based on business model and cash flow characteristics; and eliminates existing held-to-maturity, available-for-sale and loans and receivable categories. The effective date is January 1, 2018, with earlier application permitted. The Company has not adopted IFRS 9 in its financial statements for the current period, but will continue to monitor and evaluate the impact of any required changes to its financial statements based on the characteristics of its financial instruments at the date of adoption.

Expressed in Canadian dollars, unless otherwise indicated; tabular amounts in thousands, except share information

6. EXPLORATION AND EVALUATION ASSETS

The following is a summary of the Company's mining assets:

	Lynn Lake	Last Hope/ Johnson & Johnson	Goodfish	Total
Balance, August 31, 2013	**$ 23,968**	**$ 3,471**	**$ 46**	**$ 27,485**
Acquisition costs	---	100	---	100
Deferred exploration costs	995	---	---	995
Sale of mining claims	---	---	(46)	(46)
Exercise of Put Right issued to Canadian Orebodies	800	---	---	800
Balance, August 31, 2014	**$ 25,763**	**$ 3,571**	**$ ---**	**$ 29,334**
Sale of interest in E&E assets	**(5,000)**	**---**	**---**	**(5,000)**
Deferred exploration costs	**1,386**	**---**	**---**	**1,386**
Option payments	**---**	**150**	**---**	**150**
Balance, August 31, 2015	**$ 22,149**	**$ 3,721**	**$ ---**	**$ 25,870**

Lynn Lake Properties

The Lynn Lake properties are comprised of a diverse group of gold exploration claims and mining leases in the Lynn Lake Greenstone Belt of Northern Manitoba. The Company holds a 100% interest in various groups of properties comprised of mining leases and claims. In addition, the Company holds a 78.03% interest in the Nail-Franklin group of properties comprised of mining leases and claims and a 50.31% interest in the Shoe-Lace group of properties comprised of mining claims. Various parts of these properties are subject to unrecorded royalties and interests.

On November 13, 2013, the Company announced that it had entered into an agreement pursuant to which Canadian Orebodies Inc. ("Canadian Orebodies") had been granted the option to acquire a 10% non-diluting interest in the mining claims and mining leases comprising the Farley Lake Mine Project (the "Project") in which Carlisle owns a 100% interest.

In order to acquire its interest in the Project, Canadian Orebodies was required to incur aggregate exploration expenditures on the property of $800,000 by December 31, 2013. Canadian Orebodies met this spending requirement and exercised its option to acquire the 10% interest in the Project.

In April 2014, Canadian Orebodies exercised its right to transfer such interest back to Carlisle in exchange for the issuance to Canadian Orebodies of $800,000 in Carlisle common shares valued at the greater of $0.65 per Carlisle share (pre-consolidation (see Note 7(b)) and the twenty (20) day weighted average price for Carlisle shares traded on the TSX. As the Company's stock price was trading below $0.65, this resulted in Carlisle issuing 1,230,769 Carlisle shares to Canadian Orebodies. The $800,000 investment by Canadian Orebodies was accounted for as an addition to exploration and evaluation assets and as a corresponding increase to share capital.

In November 2014, Carlisle completed a private placement of common shares and entered into a Joint Venture/Earn-In Agreement, both with AuRico Gold Inc. ("AuRico").

The private placement resulted in the issuance to AuRico of 10,861,538 common shares of Carlisle at a price of $0.52 per share for gross proceeds of $5,648,000 which resulted in AuRico holding approximately 19.9% of the issued and outstanding share capital in Carlisle.

AuRico also purchased from Carlisle a direct 25% interest in Carlisle's properties in the Lynn Lake gold camp for $5.0 million and formed a Joint Venture with Carlisle in which AuRico became the operator. This arrangement is considered a Joint Operation under IFRS 11.

6. EXPLORATION AND EVALUATION ASSETS (CONT'D)

Lynn Lake (Cont'd)

Carlisle has also granted to AuRico an option to earn an additional 26% in Carlisle's Lynn Lake gold camp by spending a minimum of $20 million towards the advancement of a feasibility study within a 3-year earn-in period. If earned, it would increase AuRico's interest in the project to a total of 51%. AuRico may also earn an additional 9% in the project, to increase its total holding to 60%, by delivering within the 3-year earn-in period a feasibility study which meets all regulatory requirements. As of the date of these financial statements, the minimum $20 million required to be spent had not yet been met.

During this fiscal year, AuRico merged with Alamos Gold Inc. ("Alamos") with the merged entity taking on the Alamos name. Alamos assumed all the rights and obligations of being Carlisle's joint venture partner. On October 15, 2015, Carlisle announced that it had entered into a definitive agreement with Alamos pursuant to an offer made by Alamos to acquire all issued and outstanding shares of Carlisle (see Note 14).

Last Hope and Johnson & Johnson Properties

On March 3, 2011, the Company acquired an option on the Last Hope property near Lynn Lake, Manitoba by acquiring all of the shares of a private Manitoba company that held the option. Carlisle paid $150,000 in cash and issued 384,615 common shares at a value of $625,000 as well as 384,615 share purchase warrants valued at $392,500. Each whole warrant entitled the holder to purchase one common share for $1.625 for a period of 3 years. In August 2011, the Manitoba company was continued under the *Business Corporations Act* (Ontario) as 1845684 Ontario Inc. and was a wholly-owned subsidiary of Carlisle as at August 31, 2011. On September 1, 2011, Carlisle effected an amalgamation with 1845684 Ontario Inc.

In order to exercise the option in the Last Hope Property, Carlisle was required to spend $1,000,000 on the property by October 2012 and make a $2,000,000 payment to earn a 100% interest subject to a 2.5% net smelter return royalty, one half of which may be purchased for $1,250,000. Carlisle's Management explored and drill-tested this property during fiscal 2012 with the goal of proving and expanding the resource through added drilling along strike as well as at depth. The requirement to spend $1,000,000 on the property was completed. The Company renegotiated the Last Hope option agreement as it related to the deadline for the $2,000,000 payment. In return for a $50,000 payment made in October 2012 and issuing 7,692 common shares valued at $8,000 in October 2012, the deadline for the $2,000,000 payment was deferred to December 31, 2012. The final payment was not made by December 31, 2012 and a further extension was negotiated. Under the terms of the extension to the option agreement, to earn a 100% interest in the property, Carlisle must incur an aggregate of $2,000,000 of exploration expenditures on or before December 31, 2015 (of which more than $1,000,000 was already incurred), make three interim cash payments of $100,000 each on or before January 31, 2013, December 31, 2013 and December 31, 2014 and make a final cash payment of $2,000,000 on or before December 31, 2015. The first $100,000 payment was made as required but the December 2013 payment was deferred. Carlisle and the optionor renegotiated the timing of payments under this option agreement and Carlisle made a $100,000 payment in early April 2014. In December 2014, the last interim $100,000 payment was made as required with 25% funded by AuRico (as a 25% owner of the optioned land).

In June 2013, the Company acquired an option on the Johnson & Johnson Property (the "J&J Property") near Lynn Lake, Manitoba. The J&J Property, located along the Johnson Shear due west of Carlisle's Linkwood Project, completes Carlisle's Dunvegan Zone land package. Under the terms of the option agreement, Carlisle has an option to acquire a 100% interest in the J&J Property by incurring an aggregate of $1,000,000 of exploration expenditures on or before June 1, 2016, making three annual cash payments of $100,000 each, with the first payment due upon signing and the next two $100,000 payments due on or before June 1, 2014 and June 1, 2015, and making a final cash payment of $2,000,000 on or before June 1, 2016. The first payment was made as required. Carlisle and the optionor renegotiated the terms of this option agreement such that the June 2014 payment was deferred to December 31, 2014, which payment was made as required with 25% funded by AuRico. With the agreement of the optionor, the June 2015 payment was deferred and made in November 2015. The vendor has reserved a net smelter return royalty of 2.5% of which one half may be purchased for $1,250,000 to reduce the royalty to 1.25%.

Expressed in Canadian dollars, unless otherwise indicated; tabular amounts in thousands, except share information

6. EXPLORATION AND EVALUATION ASSETS (CONT'D)

Last Hope and Johnson & Johnson Properties (cont'd)

Failure to make the remaining option payments at each of Last Hope and Johnson & Johnson may result in the Company losing its rights to acquire the properties and result in a write-off of the remaining balance.

Goodfish Property

The Company held a 100% interest in a gold exploration property consisting of various patented mining claims in Morrisette Township, Larder Lake Mining Division, near the town of Kirkland Lake, Ontario. On December 15, 2011, Carlisle signed an agreement (the "Option Agreement") with a third party exploration company (the "Optionee") whereby Carlisle granted the Optionee an option to earn a 100% interest in the Goodfish Property. This Option Agreement provided for payments to Carlisle totaling $500,000 to be paid in three equal installments on each of the first three anniversary dates of the Option Agreement. Furthermore, the Optionee agreed to grant Carlisle a 3% net smelter return royalty on smeltable minerals or metals extracted from this property, subject to the Optionee's right to purchase one-half of the royalty for $1,000,000.

In December 2012, a $25,000 payment was received by Carlisle and it was agreed that the $141,667 installment balance would be added to the payment at the end of the Option Agreement. In March 2013, the Option Agreement was amended such that in order to earn a 100% interest in the Goodfish Property the Optionee must make a $25,000 payment (received in December 2012) and deliver a share certificate representing 250,000 common shares of the Optionee. These shares were delivered in October 2013 and the 100% interest was earned at that time. Furthermore, the 3% net smelter return royalty on smeltable minerals or metals extracted from this property was reduced to 1% subject to the Optionee's right to purchase 100% of the royalty for $1,000,000.

As a result of this transaction, Carlisle now holds 250,000 shares in a private company. The total amount of this investment has been written down to $11,000 and reclassified to other assets.

7. SHARE CAPITAL

(a) Authorized:

The Company is authorized to issue an unlimited number of common shares and an unlimited number of special shares issued in series. Each common share and, unless otherwise provided on the creation of a particular series, each special share is entitled to one vote. Carlisle has not issued any special shares.

(b) Common shares issued:

	Number of Shares	Stated Capital
Balance, August 31, 2013	**36,547,773**	**$ 29,134**
Issued on private placements	5,940,153	1,931
Value of associated warrants	---	(758)
Share issue costs – cash, net of tax benefit	---	(72)
Share issue costs – finder's warrants	---	(42)
Flow-through premium	---	(15)
Issued to Canadian Orebodies upon exercise of Put Right	1,230,769	800
Balance, August 31, 2014	**43,718,695**	**$ 30,978**
Issued on private placements	**10,861,538**	**5,648**
Share issue costs – cash, net of tax benefit	**---**	**(310)**
Balance, August 31, 2015	**54,580,233**	**$ 36,316**

7. SHARE CAPITAL (CONT'D)

(b) Common shares issued: (cont'd)

On November 13, 2013 the Company announced that it had entered into an agreement pursuant to which Canadian Orebodies Inc. ("Canadian Orebodies") had been granted the option to acquire a 10% non-diluting interest in the mining claims and mining leases comprising the Farley Lake Mine Project (the "Project") in which Carlisle owns a 100% interest. In order to acquire its interest in the Project, Canadian Orebodies was required to incur aggregate exploration expenditures on the property of $800,000 by December 31, 2013. Canadian Orebodies met this spending requirement and exercised its option, acquiring a 10% interest in the Project (see Note 6).

On December 18 and 23, 2013, Carlisle completed, in two tranches, a non-brokered private placement of flow-through units (each, a "Flow-Through Unit"), issuing 1,592,303 Flow-Through Units at a price of $0.325 per Flow-Through Unit for gross proceeds of $517,500. Each flow-through Unit consisted of one common share of the Company (each, a "Common Share") and one Common Share purchase warrant of the Company (each a "Warrant") exercisable for a period of 48 months from the date of closing of the financing to purchase one Common Share at a price of $0.4875 per share. In addition, a total of 35,076 warrants were issued as compensation warrants paid to finders in connection with this financing, each having the same terms as the Warrants associated with this financing.

On February 5 and 14, 2014, Carlisle completed, in two tranches, a non-brokered private placement of share units (each, a "Unit"), issuing 4,347,840 Units at a price of $0.325 per Unit for gross proceeds of $1,413,050. Each Unit consisted of one Common Share and one warrant exercisable for a period of 48 months from the date of closing of the financing to purchase one Common Share at a price of $0.39 per share. In addition, a total of 175,750 warrants were issued as compensation warrants paid to finders in connection with this financing, each having the same terms as the warrants associated with this financing.

On April 23, 2014, Carlisle received written notice from Canadian Orebodies that it had exercised its Put Right and Carlisle issued 1,230,769 Common Shares to Canadian Orebodies in exchange for the 10% interest in the Farley Lake Mine Project earned by Canadian Orebodies.

In November 2014, Carlisle completed a private placement which resulted in the issuance to AuRico of 10,861,538 common shares of Carlisle at a price of $0.52 per share (pre-consolidation (see Note 6) for gross proceeds of $5,648,000 which resulted in AuRico holding approximately 19.9% of the issued and outstanding share capital in Carlisle.

(c) Warrants:

On March 1, 2014, 384,615 warrants with an exercise price of $1.625 expired unexercised. On July 18, 2014, 1,654,326 warrants with an exercise price of $1.43 expired unexercised. Carlisle had 302,500 broker warrants outstanding, with each broker warrant exercisable to purchase one unit at $1.04 and each unit comprised of one share and one half warrant. Each whole warrant would have been exercisable at $1.43 to acquire one share. These broker warrants expired unexercised on July 18, 2014.

At August 31, 2014, Carlisle had 12,678,940 warrants outstanding, each warrant entitling the holder to purchase one common share at the price noted below. During the year ended August 31, 2015, a total of 2,578,871 warrants with an exercise price of $1.43 expired unexercised, resulting in $926,000 being reclassified to Contributed Surplus.

Expressed in Canadian dollars, unless otherwise indicated; tabular amounts in thousands, except share information

7. SHARE CAPITAL (CONT'D)

(c) Warrants: (cont'd)

At August 31, 2015 Carlisle had 10,100,069 warrants outstanding, each warrant entitling the holder to purchase one common share at the price below noted.

Expiry Date	Number	Exercise Price
June 7, 2017	1,255,126	$ 0.65
June 10, 2017	1,136,552	$ 0.65
June 19, 2017	1,169,223	$ 0.65
June 25, 2017	388,199	$ 0.65
December 18, 2017	932,306	$ 0.4875
December 23, 2017	695,073	$ 0.4875
February 5, 2018	3,494,915	$ 0.39
February 14, 2018	1,028,675	$ 0.39

The following table summarizes the warrant roll-forward for the fiscal years ended August 31, 2015 and 2014:

	2015		2014	
	Number of Warrants	Amount	Number of Warrants	Amount
Balance, beginning of year	**12,678,940**	**$ 2,318**	8,869,459	$ 2,755
Issued on private placements	**---**	**---**	5,940,153	758
Exercised	**---**	**---**	---	---
Finders' fees	**---**	**---**	210,769	42
Expired	**(2,578,871)**	**(926)**	(2,341,441)	(1,237)
Balance, end of year	**10,100,069**	**$ 1,392**	12,678,940	$ 2,318

The estimated fair value of the warrants granted during fiscal 2014 was determined using the Modified Black-Scholes option-pricing model with the following weighted average assumptions:

	2014
Risk-free rate	1.38% - 2.00%
Dividend yield	0%
Volatility factor of expected market price of the Company's shares (1)	100%
Expected life (in years)	4
Forfeiture rate	---
Weighted-average grant date price	$0.05

(1) Based upon the Company's historical volatility.

Expressed in Canadian dollars, unless otherwise indicated; tabular amounts in thousands, except share information

7. SHARE CAPITAL (CONT'D)

(d) Contributed surplus

	Amount
Balance, August 31, 2014	**$ 8,127**
Stock-based compensation (see Note 7 (e))	**264**
Book value of expired warrants	**926**
Balance, August 31, 2015	**$ 9,317**

(e) Share-based payments

The Company's Stock Option Plan (the "Plan") provides for the granting of options to employees, officers, directors and consultants of a maximum of 10% of the issued and outstanding common shares at an exercise price equal to or greater than the market price of the Company's common shares on the date of the grant. Options granted under the Plan may have a life of up to 10 years. At the discretion of the Board of Directors, these options may vest immediately or vest over time or based on achieving certain performance targets. Each stock option is exercisable to purchase one common share of the Company at the price specified in the terms of the option.

On December 9, 2014, 61,538 stock options were granted to an employee of the Company. Of this total, one half of these options vested immediately and one half will vest on June 9, 2015. Each option allows the holder to purchase one common share at $0.05 ($0.325 on a post-consolidation basis) until December 9, 2019.

On April 10, 2015, Carlisle issued 1,630,000 stock options for certain directors, officers, employees and consultants of the Company. These options have an exercise price of $0.52 per share, vest immediately, and have an expiry date of April 10, 2020.

The estimated fair value of the options granted during fiscal 2015 and 2014 was determined using the Modified Black-Scholes option-pricing model with the following weighted average assumptions:

	2015	**2014**
Risk-free rate	1.50 – 1.63%	1.38 – 2.00%
Dividend yield	0%	0%
Volatility factor of expected market price of the Company's shares[1]	100%	100%
Expected option life (in years)	5	4
Forfeiture rate	0	0
Weighted-average grant date price	$0.51	$0.325

[1] Based upon the Company's historical volatility.

No options were cancelled or expired during the twelve months ended August 31, 2014. No options were cancelled and 561,538 expired unexercised during the twelve months ended August 31, 2015. Carlisle's outstanding options were adjusted for the 6.5 to 1 share consolidation, resulting in fewer options at higher exercise prices. In September 2015, 169,230 options with an exercise price of $0.98 expired unexercised. At November 23, 2015, Carlisle had 4,914,588 stock options outstanding with exercise prices ranging from $0.325 to $2.70 per share and expiry dates ranging from January 2016 to April 10, 2020.

Expressed in Canadian dollars, unless otherwise indicated; tabular amounts in thousands, except share information

7. SHARE CAPITAL (CONT'D)

(e) Share-based payments (cont'd)

The following summarizes the options transactions during the years ended August 31, 2015 and 2014:

	2015		2014	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Balance, beginning	**3,953,814**	**$ 1.04**	2,976,891	$ 1.30
Granted	**1,691,538**	**0.52**	976,923	0.39
Exercised	**---**	**---**	---	---
Expired	**(561,534)**	**0.65**	---	---
Balance, ending	**5,083,818**	**$ 0.91**	3,953,814	$ 1.04

The following table summarizes information relating to the stock options outstanding at August 31, 2015 and 2014.

	Outstanding and exercisable					
	2015 (post-consolidation)			2014 (post-consolidation)		
Exercise prices	Number of options	Weighted average remaining contractual life in years	Weighted average exercise price	Number of options	Weighted average remaining contractual life in years	Weighted average exercise price
$0.325	**546,147**	**3.4**	**$ 0.33**	484,609	4.3	$ 0.33
$0.42	**476,922**	**3.5**	**0.42**	476,922	4.5	0.42
$0.52	**1,645,384**	**4.6**	**0.52**	15,384	4.6	0.52
$0.65	**684,608**	**2.7**	**0.65**	1,246,142	2.2	0.65
$0.975	**169,230**	**0.05**	**0.98**	169,230	1.0	0.98
$1.625	**1,053,839**	**1.3**	**1.63**	1,015,377	2.4	1.63
$1.95	**61,538**	**0.8**	**1.95**	53,846	1.8	1.95
$2.02	**430,766**	**0.5**	**2.02**	430,766	1.5	2.02
$2.70	**15,384**	**0.7**	**2.70**	61,538	1.7	2.73
$0.325 to $2.70	**5,083,818**	**2.9**	**$ 0.91**	3,953,814	2.7	$ 1.04

Expressed in Canadian dollars, unless otherwise indicated; tabular amounts in thousands, except share information

8. INCOME TAX

Income tax provision

The provision for income taxes differs from that which would be expected by applying the combined federal and provincial statutory income tax rate to income before taxes. A reconciliation of the difference is as follows:

	2015	2014
Loss before income taxes	**$ (3,340)**	$ (1,362)
Income tax rate	**26.55%**	26.68%
Income tax recovery using statutory income tax rates	**(887)**	(363)
Statutory permanent differences	**108**	(40)
Prior year adjustments	**515**	
Tax rate differential on deferred tax	**(7)**	(5)
Impact of attributes renounced to shareholders		138
Other	**(12)**	
Income tax recovery	**$ (283)**	$ (270)

Deferred income taxes

Details of the Company's deferred income tax liabilities and assets are as follows:

	2015	2014
Non-capital losses	**$ 3,942**	$ 3,697
Exploration and evaluation assets	**(4,562)**	(4,698)
Share issuance costs	**289**	295
Intangible and other assets	**82**	67
Property and equipment	**23**	19
Deferred tax liability	**$ (226)**	$ (620)

The Company has available against future taxable income, non-capital losses of $14,972,355. The losses expire as follows:

Year	Amount
2027	$ 900
2028	1,121
2029	1,026
2030	749
2031	2,292
2032	3,147
2033	2,416
2034	2,109
2035	1,212
	$14,972

Deferred tax assets have not been recognized in respect of $492,655 of investment tax credits due to the unpredictability of future earnings. These credits will expire between 2031 and 2034.

Movement in deferred tax liabilities

	2015	2014
Balance at the beginning of year	**$ (620)**	$ (916)
Recognized in loss	**283**	270
Recognized in equity	**111**	26
Deferred tax liability	**$ (226)**	$ (620)

Expressed in Canadian dollars, unless otherwise indicated; tabular amounts in thousands, except share information

8. INCOME TAX (CONT'D)

Flow-through shares

During 2006, the Company raised gross proceeds of approximately $4.7 million of flow-through share financing from investors. The gross proceeds of the financing were renounced to the investors as at December 31, 2006 and were to be used by the Company to incur qualifying Canadian exploration expenses by December 31, 2007. However, based on the Company's records, approximately $1,200,000 of the gross proceeds renounced did not appear to have been used to incur qualifying Canadian exploration expenses by that date. As a consequence, the Company accrued $252,000 for Part XII.6 taxes, interest and penalties on the $1,200,000 shortfall.

During 2007, the Company raised gross proceeds of approximately $2.1 million of flow-through share financing from investors. The gross proceeds of the financing were renounced to investors as at December 31, 2007 and were to be used by the Company to incur qualifying Canadian exploration expenses by December 31, 2008. However, based on the Company's records, it appears that an insufficient amount was spent by the Company on qualifying Canadian exploration expenses by that date. Accordingly, an additional $70,000 was accrued to account for Part XII.6 taxes, interest and penalties related to the shortfall.

The Company also accrued $200,000 in 2009 and $30,000 in 2010 on account of additional, tax, penalties and interest on past tax claims arising from the 2006 and 2007 flow-through financings for additional interest. This brought the total accrued liability to $552,000. Based on negotiations with the Canada Revenue Agency, Carlisle reduced the accrued liability to $417,000 at August 31, 2011, which amount, plus additional interest, was paid in full in November 2011.

At August 31, 2013, $660,000 had been accrued for potential claims which may arise as a result of possible reassessments denying personal tax deductions to the investors. In September 2013, $1,000 was paid in settlement of a shareholder claim. Based on the opinions of legal counsel and the fact that no further claims had come forward, on August 31, 2014 Carlisle reversed the remaining $659,000 to other income on the Statement of Comprehensive Loss. During fiscal 2015, additional subscribers came forward with claims for reimbursement. Although legal counsel had advised that the statute of limitations had run its course, Carlisle has been reimbursing subscribers who can support their claims for compensation. During the year, an additional $202,000 has been paid on this account and is reflected as a general and administrative expense in the Statement of Comprehensive Loss.

9. RELATED PARTY TRANSACTIONS

These financial statements include expenditures (either expensed or included with deferred exploration costs) incurred with shareholders, officers, directors and/or companies controlled by them. These transactions have been measured at their exchange amounts, being the amounts agreed upon between the Company and the related parties, and are summarized as follows:

	August 31, 2015	August 31, 2014
Balances:		
Due to a director and officer (1)	**$ 56**	$ 93
Due to companies owned by directors and officers (2)	**9**	55
	$ 65	$ 148
Transactions:		
Management fees (3)	**$ 1,375**	$ 663
Legal fees (2)	**478**	154
	$ 1,853	$ 817

(1) These amounts represent fees payable to certain of the Company's Management.
(2) These amounts represent legal fees paid or payable to a firm owned by a Company director.
(3) Included in management fees are salaries/fees paid to the Company's Executive Chairman, CEO, CFO and other key Management.

9. RELATED PARTY TRANSACTIONS (CONT'D)

On September 3, 2014, the Company received a $100,000 demand loan from its Executive Chairman, which loan bore interest at a rate of 12% per annum. This demand loan was repaid on November 25, 2014 resulting in $2,729 of interest being accrued at quarter-end and paid in December 2014.

As part of the Joint Venture agreement, Alamos funds 50% of the costs associated with exploration activities outside the feasibility study area up to $2 million per year for a total of $4 million per year jointly funded ("Special Exploration Budget"). During the year, Alamos funded their 50% of the Special Exploration Budget. Monies are advanced quarterly and are recorded as a liability on Carlisle's financial statements, with this liability reduced as monies are expended. At August 31, 2015, $281,000 remained in accounts payable. An additional $133,000 of accounts payable relates to amounts refunded to Carlisle by the Manitoba government on account of work completed by Alamos, which amounts are due to be paid to Alamos.

Alamos pays Carlisle a 5% management fee on their share of the special exploration budget. This money is funded quarterly and it too is recorded as a liability on the Company's financial statements, with this liability reduced as monies are expended and recorded as management fees income on the Statement of Comprehensive Loss. During the year ended August 31, 2015, Carlisle earned $65,000. At August 31, 2015, $14,000 remained in accounts payable.

10. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the year ended August 31, 2015. The Company is not subject to externally-imposed capital requirements.

11. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

The Company's credit risk is primarily attributable to receivables. The Company has no significant concentration of credit risk arising from operations. Cash consists of bank deposits which have been invested with or purchased from reputable financial institutions, from which Management believes the risk of loss to be remote.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet the obligations associated with its financial liabilities. The Company endeavors to minimize costs and will raise capital, as needed, to finance exploration activities and for general working capital purposes. During fiscal 2015 and 2014, Carlisle completed financings, raising sufficient funds to satisfy its obligations and provide needed working capital. At year end, Carlisle had sufficient funds to meet current or projected obligations. There is no guarantee, however, that the Company will be able to raise needed capital in the future.

11. FINANCIAL RISK FACTORS (CONT'D)

Market risk

(a) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not currently have any significant interest rate risk associated with any cash balances or investments.

(b) Foreign currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. From time to time, the Company funds certain operations, exploration and administrative expenses in US dollars on a cash-call basis using US dollar currency converted from its Canadian dollar bank accounts held in Canada. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

(c) Price risk

The Company is exposed to price risk with respect to commodity prices. Changes in commodity prices will impact the economics of developing the Company's mineral properties. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a revenue producing entity at this time.

Fair value

IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the date of the statement of financial position, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying value of cash, amounts receivable, accounts payable and accruals approximates fair value due to the relatively short-term maturity of these financial instruments. Fair value represents the amount that would be exchanged in an arm's length transaction between willing parties and is best evidenced by a quoted market price, if one exists.

Sensitivity analysis

The Company has designated its cash and short-term investments as held-for-trading, which are measured at fair value. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

The Company does not hold any balances in foreign currencies which would give rise to exposure to foreign exchange risk.

12. CONTINGENCIES

The Company leased premises with a term ending in January 31, 2013. During fiscal 2009, the Company had difficulties meeting all of the conditions within the lease agreement and the landlord refused further access. Under the terms of the lease, the landlord has a potential claim against the Company. No amount has been accrued.

Expressed in Canadian dollars, unless otherwise indicated; tabular amounts in thousands, except share information

13. SUPPLEMENTARY INFORMATION

Supplementary information of non-cash activities that have been excluded from the statement of cash flows is as follows:

	2015	2014
Money expended by Canadian Orebodies on Farley Lake project *(Note 6)*	**$ ---**	$ 800

14. SUBSEQUENT EVENTS

On October 15, 2015, Carlisle announced that it had entered into a definitive agreement with Alamos pursuant to an offer made by Alamos to acquire all issued and outstanding shares of Carlisle by way of a court-approved plan of arrangement (the "Arrangement").

Under terms of the Agreement, Carlisle shareholders will receive: (i) 0.0942 of an Alamos common share for each Carlisle common share held, plus (ii) 0.0942 of a warrant to purchase Alamos common shares at an exercise price of C$10.00 with an expiration date of three years from closing. Not including the Alamos warrant, the share consideration represents a value of C$0.60 for each Carlisle common share based on Alamos' closing price on October 14, 2015 on the Toronto Stock Exchange ("TSX"), a premium of 62% to Carlisle's closing price on October 14, 2015, and a 117% premium to its 30-day volume-weighted average price ("VWAP").